

FY 2020 – 2023
**STRATEGIC
PLAN** FEBRUARY 2020



ECONOMIC DEVELOPMENT COMMISSION



RAPP CONSULTING GROUP

February 2020

RE: FY 2020-2023 Strategic Plan – Lakeville Economic Development Commission

Dear Chair Scherer,

We are pleased to present the 2020-2023 Strategic Plan and Summary Report to the Lakeville Economic Development Commission. The plan reflects the City and Commission's priorities, commitment to measurable results and focused economic development.

It has been a pleasure assisting the Economic Development Commission with this important project. The Commission and staff displayed clear thinking, dedication and focused effort.

We particularly wish to thank Community & Economic Development Director David Olson & Economic Development Coordinator Kati Bachmayer for their help and support during the process.

Yours truly,

Craig R. Rapp
President

Heather A. Johnston
Senior Consultant

TABLE OF CONTENTS

Executive Summary.....	1
Strategic Plan Summary FY 2020-2023.....	2
Strategic Planning Process.....	3
Vision, Mission, Values.....	5
Reviewing the Environment, SWOT.....	7
Strategic Issues and Challenges.....	9
Defining Priorities, Outcomes, Targets.....	10
Implementing the Vision: Strategic Initiatives.....	13
Strategic Planning Participants	14
Appendix I: SWOT Analysis	
Appendix II: Website Audit	


EXECUTIVE SUMMARY

From October 2019 through January 2020, the Lakeville Economic Development Commission engaged in a strategic planning process. The process resulted in a strategic plan covering 2020-2023.

The plan consists of four **strategic priorities**—the issues of greatest importance to the City and EDC over the next four years. Associated with each priority is a set of **desired outcomes, key outcome indicators, and performance targets**, describing expected results and how the results will be measured. The plan also includes **strategic initiatives** that will be undertaken to achieve the targeted outcomes.

The planning effort began with an examination of the operating environment via a SWOT analysis. On October 29th and November 26th, 2019, the EDC and senior staff held strategic planning sessions. They reviewed progress on the previous plan and examined the *Envision Lakeville* process to guide their work. They then developed a set of priorities, key outcomes and performance targets.

Based upon those priorities, the senior staff met on December 3rd, 2019 to identify a set of strategic initiatives and begin development of detailed action plans. The strategic priorities, key outcome indicators, performance targets and strategic initiatives are summarized here and on the following page.



strategy

The Plan

Four Strategic Priorities

- 1 BUSINESS RETENTION, EXPANSION AND DIVERSIFICATION
- 2 MAXIMIZE AND MARKET OUR COMPETITIVE EDGE
- 3 HOUSING TO SUPPORT ECONOMIC GOALS
- 4 WORKFORCE AVAILABILITY AND UTILIZATION

STRATEGIC PLAN SUMMARY 2020–2023

City of Lakeville EDC

Strategic Priority	Desired Outcome	Key Outcome Indicator	Target	Strategic Initiatives
Business Retention, Expansion and Diversification	Limit loss of existing business	- Lakeville business inventory - Building permits	No net loss in businesses January 2020-December 2023	a) Create business retention program w/ Chamber/CVB b) Establish a Lakeville business expansion program c) Develop a business cluster strategy & market node analyses
	Lakeville is the first choice for expansion	- Expansion and relocation lists	90% of current businesses expand in Lakeville rather than relocate 2020-2023	
	Diverse industry base	- Expansion and relocation reports by industry cluster	Increase of at least one business in each industry cluster annually	
Maximize and Market Our Competitive Edge	Be the community of choice	- Competitive data on development decisions (win %)	=/> __ % wins each year of qualified leads on 3 high priority nodes/clusters	a) Develop & enhance data analytics capacity and capabilities b) Refresh business marketing & branding strategy c) Establish a benchmark comparison system
	Enhanced recognition of brand	- Contacts/ inquiries that result in action -Click /conversion rate	=/> __ % can articulate brand elements/qualities	
	Infrastructure that leverages economic development	- Infrastructure projects programmed in CIP	EDC priority infrastructure projects are programmed in 2020-23	
Housing to Support Economic Goals	Adequate housing to support job base	- __ % jobs/resident - workforce housing units	Reduce workforce housing gap identified in Dakota County CDA Housing Needs Assessment by __ % by 2023	a) Coordinate economic development efforts related to CMU process b) Articulate objectives for workforce housing c) Facilitate housing barrier removal
	Housing that stimulates commercial development	-Housing units in target areas -Commercial district comparisons	__ # units developed in targeted commercial areas by 2023	
	Policy guidance in place to achieve housing goals	-policy/development alignment	Corridor Mixed Use (CMU) designation adopted by fall 2020	
Workforce Availability and Utilization	Existing jobs match skills available	-Import/export -Migration	__ % of jobs performed by Lakeville residents by __	a) Collaborate with Lakeville Works initiatives b) Review City programs and policies for consistency with workforce housing requirements c) Align efforts with higher education providers
	Job availability matches demand	-Job openings -Time to fill	=/< __ % job vacancy rate in city, reported annually	

STRATEGIC PLANNING PROCESS

Strategic planning is a process that helps leaders examine the current state of the organization, determine a desired future state, establish priorities, and define a set of actions to achieve specific outcomes. The process followed by the City of Lakeville was designed to answer four key questions: (1) Where are we now? (2) Where are we going? (3) How will we get there? (4) What will we do? The process is divided into a development phase and an implementation phase. The full process is depicted below.

- 1 Where are we now?
- 2 Where are we going?
- 3 How will we get there?
- 4 What will we do?

DEVELOPMENT

IMPLEMENTATION

Where We Are

Where We're Going

How We'll Get There

What We'll Do

Scan the Environment
–
Conduct Internal and External Analysis (SWOT)
–
Develop Strategic Profile
–
Identify Strategic Challenges

Define Our Mission
–
Articulate Core Values
–
Set a Vision
–
Establish Goals
–
Identify Key Intended Outcomes

Develop Initiatives
–
Define Performance Measures
–
Set Targets and Thresholds
–
Cascade Throughout Organization

Create Detailed Action Plans
–
Establish Accountability: Who, What, When
–
Identify Success Indicators
–
Provide Resources

Initiating the Process – Setting Expectations, Reviewing Current Situation

The strategic planning process began with a meeting of the staff team and the consultants on October 7th, 2019. The meeting included an overview of strategic planning principles, previous planning efforts, and guidance on preparing for the retreat sessions. In addition, the team discussed the City's desire for an economic development website audit and the approach to be taken by the consultant to conduct one.

The group talked about progress on *Envision Lakeville* and its relationship to the Economic Development Commission. They also discussed various changes that have taken place since the last plan was adopted. A timeline and assignments for the overall project and website audit were determined along with an agenda for the first retreat session on October 29th.

Setting Direction: Mission, Vision, Values

On October 29th and November 26th, 2019, the EDC and senior staff held strategic planning sessions to develop the strategic plan. To address the question of “Where are we now?” the staff presented a detailed review of the current economic development environment and provided a progress report on the implementation of the 2017-2019 Strategic Plan.



STRATEGIC PLANNING PROCESS

ASSESS CURRENT ENVIRONMENT

- Senior Staff Review
- Previous Plan Progress
- Vision/Mission/Values
- SWOT Analysis

SET PRIORITIES, TARGETS

- Strategic Planning Retreat
- Operating Environment
 - Previous Plan Progress
 - Internal SWOT
- Challenges, Priorities
- Outcomes, KOI's, Targets
- SWOT Analysis

IMPLEMENT THE PLAN

- Implementation Session
 - Strategic Initiatives
 - Action Plans
- Refine Details
- Final Review, Approval

A key component of understanding “Where Are You Going?” is to have a clear vision, mission and set of core values. The Lakeville Economic Development Commission, as an advisory board, works within the framework of the City of Lakeville. As such, they subscribe to the vision and values of the City, which are defined in the *Envision Lakeville* Community Vision. The EDC has its own mission statement, which conforms to the vision and values.

The vision, mission and value statements are listed below.



MISSION STATEMENT (Economic Development Commission)

The Lakeville Economic Development Commission develops strategies and communicates benefits that will make Lakeville the best choice for decision-makers considering business location and expansion.



VISION STATEMENT (*Envision Lakeville*)

We envision a thriving, multi-generational community where families, friends, and neighbors connect, live, learn, work, and play. Great schools; a diverse local economy; exceptional parks, trails, and recreational opportunities; vibrant social and cultural institutions; safe neighborhoods; and responsive and cost-effective public services—together create a place we are proud to call home.



VALUES *(Envision Lakeville)*

DIVERSIFIED ECONOMIC DEVELOPMENT

We value the stability and independence provided by a strong, diversified local economy

GOOD VALUE FOR PUBLIC SERVICES

We value high-quality public services delivered cost effectively

SAFETY THROUGHOUT THE COMMUNITY

We value living in a community where people feel safe everywhere they go

HIGH QUALITY EDUCATION

We value and are committed to high quality education that sets us apart

DESIGN THAT CONNECTS THE COMMUNITY

We value a well-designed community and we place a priority on development that enhances connectivity and accommodates our changing needs

A HOME FOR ALL AGES AND STAGES OF LIFE

We value living options for people of all ages and stages of life

A SENSE OF COMMUNITY AND BELONGING

We value the sense of belonging that comes from our traditions and institutions, and we strive to support and preserve them

STRATEGIC PLANNING PROCESS

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Reviewing the Environment and Setting Strategic Priorities

The leadership team continued the process of assessing the operating environment via a SWOT (Strengths, Weaknesses, Opportunities, and Threats) analysis—a process that examines the organization's internal strengths and weaknesses, as well as the opportunities and threats in the external environment. To facilitate this, a SWOT questionnaire was distributed to the participants in advance of the planning session. Using the SWOT data, a small group review process revealed the most frequently mentioned characteristics in each area.

STRENGTHS

- Developable land with supporting infrastructure
- Economic impact of quality schools
- Engaged community, civic & City leadership
- Growing & diverse business community

WEAKNESSES

- Workforce availability
- Affordable/workforce housing
- Transportation

SWOT Analysis

- Developable acreage (housing, business)
- Infrastructure (roads, transit, air)
- Workforce development (education, housing)
- Marketing (tourism, business)
- Partnerships-growth

OPPORTUNITIES

- Labor (shortage, training, opioid addiction)
- Housing stock (workforce, affordable, life cycle)
- Competitive development (land cost, fees, labor cost, taxes, avoid sameness)
- Economic downturn (business diversity, how to monitor)
- Transportation (lack of public, access from N and S)

THREATS



Vibrant social and cultural institutions, safe neighborhoods, and responsive and cost-effective public services

The group used this information to identify those opportunities that would be helped the most by the organization's inherent strengths and which external threats were most likely to exacerbate their weaknesses.

STRENGTHS LEVERAGING OPPORTUNITIES

(Make good things happen)

- Development review process/responsiveness needs to be marketed
- Strengths need to be marketed as differentiators (e.g.–land available, diverse business pods, downtown vitality, hospitality)
- Partnerships-engaged leadership: Schools, City, Chamber (workforce, infrastructure)

WEAKNESSES EXACERBATED BY THREATS

(Keep bad things from happening)

- Labor
- Housing
- Transportation

Following this exercise, the group examined the results, and then engaged in additional brainstorming to identify the strategic issues and challenges facing the organization.



STRATEGIC ISSUES/CHALLENGES

- Labor/Workforce
- Housing
- Transportation
- Maximizing Partnerships
- Communicating Strengths
- Marketing
- Business Diversification
- Diversity/Inclusion

Based upon the challenges and issues identified, a facilitated discussion ensued to determine the highest priorities for the strategic planning period. The group consensus was that the priorities going forward should be the same four priorities as the previous strategic plan, with slight modifications. The previous priorities: (1) Business Retention and Expansion; (2) Maintain a Competitive Edge; (3) Housing to Support Economic Goals; and (4) Workforce.

The four priorities for 2020–2023 after modification are depicted below. The group briefly considered adding a fifth priority related to transportation but opted to include transportation within the other priorities.

STRATEGIC PRIORITIES

**BUSINESS RETENTION, EXPANSION
AND DIVERSIFICATION**

**MAXIMIZE AND MARKET OUR
COMPETITIVE EDGE**

**HOUSING TO SUPPORT OUR
ECONOMIC GOALS**

**WORKFORCE AVAILABILITY
AND UTILIZATION**

Defining the Priorities

To clarify the meaning of each priority, the group identified key concepts which were used at the retreat to create guidance, and ultimately used to create definitions.



Key Outcomes, Indicators, and Targets by Priority

With priorities in place, the group determined the most important outcomes to be achieved for each priority, defined Key Outcome Indicators (KOI's), and developed Performance Targets. KOI's define progress toward desired outcomes. Performance Targets define successful outcomes, expressed in measurable terms.

The alignment created between priorities, outcomes and targets is important, not only for clarity, but also for maintaining a disciplined focus on the desired results.

Business Retention, Expansion and Diversification

- a. **Outcome:** Limit loss of existing business
KOI: Lakeville business inventory, Building permits
Target: No net loss in businesses January 2020 – December 2023
- b. **Outcome:** Lakeville is the first choice for expansion
KOI: Expansion and relocation lists
Target: 90% of current businesses expand in Lakeville rather than relocate 2020–2023
- c. **Outcome:** Diverse industry base
KOI: Expansion and relocation reports by industry cluster
Target: Increase of at least one business in each industry cluster category annually



Maximize and Market Our Competitive Edge

- a. **Outcome:** Be the community of choice
KOI: Competitive data on development decisions (win %)
Target: \geq ___% wins each year of qualified leads--on 3 high priority nodes/clusters
- b. **Outcome:** Enhanced recognition of brand
KOI: Contacts/inquiries that result in action, Click/conversion rate
Target: \geq ___% can articulate brand elements/qualities
- c. **Outcome:** Infrastructure that leverages economic development
KOI: Infrastructure projects programmed in CIP
Target: EDC priority infrastructure projects are programmed in 2020-2023

Housing to Support Economic Goals

- a. **Outcome:** Adequate housing to support job base
KOI: ___% jobs/resident, Workforce housing units
Target: Reduce workforce housing gap identified in Dakota County CDA Housing Needs Assessment by ___% by 2023
- b. **Outcome:** Housing that stimulates commercial development
KOI: Housing units in target areas, Commercial district comparisons
Target: ___#___ units developed in targeted commercial areas by 2023
- c. **Outcome:** Policy guidance in place to achieve housing goals
KOI: Policy/development alignment
Target: Corridor Mixed Use (CMU) designation adopted by fall 2020

Workforce Availability and Utilization

- a. **Outcome:** Existing jobs match skills available
KOI: Import/export, Migration
Target: ___% of jobs performed by Lakeville residents by ____
- b. **Outcome:** Jobs availability matches demand
KOI: Job openings, Time to fill
Target: =/> ___% job vacancy rate in city, reported annually

STRATEGIC PLANNING PROCESS

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Implementing the Vision – Developing Strategic Initiatives and Action Plans

To successfully address the strategic priorities and achieve the intended outcomes expressed in the performance targets, it is necessary to have a focused set of actions, including detailed implementation steps to guide organizational effort.

The Lakeville Economic Development Commission will accomplish this through a set of strategic initiatives. Strategic initiatives are broadly described, but narrowly focused activities that are aligned with the priorities and targeted to the achievement of outcomes expressed in the Targets. On December 3rd, 2019, senior staff and the consultant met to identify strategic initiatives. Following this session, staff worked to develop detailed action plans for each initiative.

Business Retention, Expansion and Diversification

- Create a business retention program with Chamber/CVB
- Establish a Lakeville business expansion program
- Develop a business cluster strategy and market node analyses

Maximize and Market Our Competitive Edge

- Develop and enhance data analytics capacity and capabilities
- Refresh business marketing and branding strategy
- Establish a benchmark comparison system

Housing to Support Economic Goals

- Coordinate economic development efforts related to Corridor Mixed Use (CMU) process
- Articulate objectives for workforce housing
- Facilitate housing barrier removal

Workforce Availability and Utilization

- Collaborate with Lakeville Works initiatives
- Review City programs and policies for consistency with workforce housing requirements
- Align efforts with higher education providers



Website Audit

To assist the City and EDC with strategic plan implementation, and provide competitive intelligence, the City of Lakeville asked the consultant to conduct a website audit, along with an evaluation of comparison cities. This was accomplished via a business community needs assessment, an analysis of the community and economic development web pages in Lakeville, and an analysis of comparison cities' economic development web pages. Additional information on this process and recommendations can be found in Appendix II: Website Audit.

Strategic Planning Participants

The strategic plan was developed with the hard work and dedication of many individuals. The Economic Development Commissioners took time out of their schedules to commit to long-term thinking. They defined a direction and a set of outcomes that are important to the citizens, businesses and stakeholders with whom they partner and serve.

The Mayor and senior staff were active participants and offered context and support to the group's strategic thinking. The President of the Lakeville Area Chamber of Commerce was a full participant and also provided key insights and support.

Economic Development Commission

Quenton Scherer, *Chair*
Glenn Starfield, *Vice Chair*
Lowell Collman, *Commissioner*
Derick Dautel, *Commissioner*
Jim Emond, *Commissioner*
Bob Gillen, *Commissioner*
Jack Matasosky, *Commissioner*
Don Seiler, *Commissioner*
Justin Stone, *Commissioner*
Tom Smith, *Alternate Commissioner*

Lakeville Area Chamber of Commerce

Krista Jech, *President*

City of Lakeville

Douglas Anderson, *Mayor*
Justin Miller, *City Administrator*
David Olson, *Community & Economic Development Director*
Kati Bachmayer, *Economic Development Coordinator*

APPENDIX I

SWOT Results

Strengths

- Industrial park land
- Residential development land
- Well-educated population base
- Household incomes
- Nationally recognized schools
- Good city leadership
- Low crime rate
- Access to major highways
- Engaged community consisting of seasoned leaders and SMEs (subject matter experts)
- Improvement in diversity
- Experienced city staff
- Close proximity to both Urban and Rural areas
- Large industrial park
- Airport
- Business leaders involved in community
- Highly rated schools
- Unique downtown district
- Top municipal liquor stores
- Quality sites with necessary infrastructure available for Commercial/Industrial development
- Geographic location
- Growing critical mass of existing businesses
- Considered a desirable community to live in
- Growing community for residents
- Growing community for businesses
- Excellent reputation as a well-run city
- Excellent reputation for well-run public schools
- Good reputation for number of parks and maintenance of parks
- Good citizen involvement i.e. Lions Club, Rotary, Chamber of Commerce, volunteerism
- Good geographic position to major cities, highway and airports
- Feels safe. Low crime.
- Affordable for middle-upper income, dual-earner families
- Strong business community
- Location south of the river
- Educated residents
- Strong K-12 school system
- Single-family home footprint

- Great school system
- Strong business community
- Active Chamber of Commerce
- Strong community pride
- Positive and experienced City leadership
- Quality of life amenities
- Industrial park
- Strong partnerships between public and private organizations
- Proximity to I-35
- Presence of Metropolitan Airports Commission reliever airport (Airlake Airport)
- Available land for development
- Critical mass of diverse businesses and industry that currently exist in the community
- Desirable community to live and work in - schools, faith communities, parks, and quality of life - lure people here.
- Population growth
- Availability of land
- Business friendly environment
- Great schools
- Historic downtown makes a large town feel like a small community
- Close to I-35 (feels close/quick to get around the cities)
- Large area to grow
- Diverse businesses within the community
- Safe community
- Abundance of parks
- Great community programs and events
- Diverse business economy
- Well-planned growth strategy
- Location (close to major highways, rail, airport)
- Business community - Industrial park, Downtown, other business pods. From home businesses to large entities.
- Location (close to major highways, rail, airport)
- Amenities - Schools, roads, public safety, parks, trails, arts center, golf, etc.
- Leadership - From Council (governance) to Staff there is a focus on stewardship of resources.
- Available land for housing and commercial/industrial development for next 15-20 years
- Location
- Access to interstate

- Schools
- Variety of housing choices
- Available land
- Strong partners
- Regional airport
- Relationship between City, Chamber and Lakeville Area Schools
- Desired location for business and residence
- High engagement of key stakeholders in town
- Schools
- Strong Community Groups – Rotary, Pan-O-Prog, Lions, etc
- Strong leadership

Weaknesses

- Public transportation
- Poor public image from I-35
- Lack of promotion efforts for city, business community, etc
- Lakeville's image/brand to consumers and businesses
- Follow thru (alignment) with strategic priorities of the *Envision Lakeville* Plan
- Reactionary vs. pro-active leadership
- "Small town mentality" with a "large city reality"
- Lack of available workforce for existing businesses
- Shortage of a qualified work force
- Lack of affordable workforce housing
- Available funding for large transportation projects including I-35 / Co. Rd. 50 Interchange
- Lack of mid to upper scale "white collar" businesses. We are strong in manufacturing but weak on information driven/digital driven businesses. This results in too many well-educated residents leaving the city for work each day.
- Not that affordable for lower-middle income or single-earner families. This makes it difficult for our businesses to recruit skilled and lesser skilled labor for hospitality, manufacturing, health services, etc.
- Lack of post-secondary education options. This forces our young graduates to leave the city.
- Limited mass transit
- Cost and requirements to build
- Lack of ethnic diversity
- Lack of affordable housing
- Resistance to affordable housing
- Lack of workers
- Growth challenges - anticipating diverse housing needs and products, school facilities, etc.
- Maintenance of older infrastructure in aging portions of community
- Labor supply
- Visibility to national retailers
- Distance from urban core - hard to attract major employers
- Lack of transit options
- Willingness to sacrifice long term gain for short term results (i.e. too many low-wage jobs)
- Public transportation

- Real estate is getting more expensive and smaller lots
- Few choices of apartments
- Vacant buildings
- Lack of workforce housing
- No hospital
- Medical industry seems under-represented in employment numbers
- Availability of skilled and service industry labor
- Affordable housing
- Workforce
- Availability of training
- Workforce – too many people leaving for work, not enough people pursuing careers in industries that we have (skilled trades – manufacturing, construction, transportation)
- Affordable housing (although getting better)
- Lack of Diversity among leadership in entire community
- Workforce - necessary to support businesses retention, growth and development
- Desire for all things - must make choices and focus resource use to priorities. Establish long term approach of sustainability (financial advisory committee is working on).
- Transportation (roads) systems - East/west needs to be developed. Hwy 50 almost complete, Hwy 70 next two years, 185th street???
- Lack of Post High school education in support of our business community
- Lack of retail stores
- The geographic size of the community
- Limited traffic corridors
- Limited supply of affordable housing

Opportunities

- Move from being reactionary to proactive
- Collaborate with chamber of commerce, DLBA, and others to promote economic development
- Marketing and promotion of Lakeville
- Address multiple business communities within the city, their unique needs and create economic development strategies for each
- Align with the envision plan to improve economic sustainability (EDC is the “owner” of the envision strategic priority of “increasing economic security”)
- Coordinate with other strategic priority teams as outlined in the envision plan
- Growing professional population
- Space to expand business/industrial park
- Space to expand arts center and parks
- Ability to offer events and experiences
- Expansion of public transportation to the city
- Aging population - changing needs
- Changing population - increased diversity
- Continued and increased workforce development partnerships with Chamber of Commerce, local school districts and other agencies
- An improved and expanded Airlake Airport (that is now in the City of Lakeville)
- Continued promotion and marketing of Lakeville as a location for new and expanded businesses
- Partner with public and private organizations on ways to facilitate development of workforce housing
- Our growing population base is well educated and would provide an excellent workforce for the right companies.
- Our downtown growth has been encouraging. It would be nice to see us build upon that momentum. A vibrant and charming downtown can give us something unique and different from surrounding suburbs.
- We have space / land available. Lots of it! (no pun intended)
- Actionable strategic plan goals
- Workforce housing development
- Expansion of Lakeville Works program
- Zoning ordinance modernization to meet development and community needs
- Expansion of career exploration at Lakeville schools

- Partnerships with area technical education colleges
- Expand support of small businesses and startups
- Create a structured business retention program
- Maintain strong public-private partnerships
- Available inventory of land for future development of both residential and industrial opportunities.
- Good access to distribution routes - make Lakeville a good spot for logistic businesses (trucking, rail, warehousing) to serve local area and region.
- Finding technology solutions to help the manufacturing challenges of labor and distribution of products.
- Growing existing businesses
- Availability of tax increment assistance
- Desirable place to work and live
- Good school system
- Room for future growth
- Good base of industrial businesses
- Good sense of community
- Safe family environment
- Available land
- Demographic is right to pursue a large attraction/tourism driver
- Workforce Development because of the increasing collaboration between the business community and our school
- We are the gateway to the Twin Cities from the south
- In partnership with others, define and develop each business pod (from Industrial park, to downtown, to Hy-Vee) and associated plan if appropriate (like downtown plan).
- Image - focus efforts to strengthen live/work/play/stay here in Lakeville....vs. that we are bedroom community.
- Be Proactive - and what does this look like for us? For the future?
- Available land
- Potential annexation opportunities to really establish city as southern metro landmark
- Attracting corporate jobs/buildings
- Workforce housing
- Medical industry jobs
- Growing a workforce labor pool

Threats

- Failure of city government to dedicate resources to identify target businesses to solicit for relocation, expansion or establishment in Lakeville.
- Inadequate workforce housing
- Inadequate public transportation for workforce
- Failure to recognize or anticipate: a softening in the economy or competition.
- Failure to address multiple business communities within the city and their unique needs
- Loss of rural lands to development
- Dealing with substance abuse amid growing population
- Dealing with mental illness amid growing population
- Maintaining sufficient volunteers for emergency services
- Aging population - changing needs
- Changing population - increased diversity
- National economic downturn
- Continued increase in workforce shortages
- Housing market slowdown
- Sameness - Adopting the same policies and acting the same as other suburbs. This tends to lend itself to a non-distinctive experience. A city with little character.
- Losing sight of our strengths - i.e. The school system has a great reputation. As our population ages will we lose our interest in investing in our school system. Our park system is a significant asset. Will we be able to motivate our citizens to support getting the park system to the next level of cool.
- Not diversifying our business base - We are heavy into manufacturing and not very strong in businesses of the information age. Are we prepared to weather economic storms?
- Cheaper options to location just south of Lakeville
- Impending recession
- Loss of naturally occurring affordable housing
- Tariffs and trade war
- Lack of workforce (skilled and unskilled)
- Fast-growing population strain on school system
- Legislative changes/mandates to independent city building fees
- Major employer leaving the city
- Labor availability
- Low / moderate income housing opportunities
- Cost of development / entitlement activities (platting, trunk fees, park dedication, etc). The impact to land costs are increasing drastically.

- Retail uses we want go to Apple Valley/Burnsville due to density and trade areas
- Susceptible to economic downturn
- Housing growing faster than jobs
- State legislature involvement in city growth financing issues
- City debt
- Highly dependent on outside income sources to sustain our high average household income.
- Growth faster than infrastructure build-out (Schools, water, sewer, etc).
- Sustainability of low property tax rate (Dependence on liquor sales, growth, special service districts. etc...)

Top Priorities

- Shift from being reactionary to being proactive (align with *Envision Lakeville* plan)
- Marketing and promotion of Lakeville (branding of Lakeville) (improvement of Lakeville's image)
- Identify business communities within Lakeville, their unique needs and create economic development strategies for each
- Promote a sustainable workforce for businesses
- Enable businesses and City Departments to keep pace with growth
- Enable businesses and City Departments to meet changing demands
- Workforce development
- Workforce housing development
- Securing approval of needed funding for new infra-structure including I-35/ Co. Rd. 50 Interchange
- Attracting businesses with higher wage jobs that match up with the resident base
- Supporting initiatives that encourage training, internships and placement for skilled and lesser skilled employees to staff our existing business base.
- Support limited housing growth that is deemed more "affordable" being mindful to not over steer
- Support initiatives that promote small, independent, local retail and restaurant businesses so that our town develops a feel that is unique from other suburbs.
- Attract more corporate campus
- Responding to workforce challenges
- Attracting and incentivizing businesses with living wage jobs
- Retaining existing businesses
- Providing existing and new businesses with the labor and / or technology to accomplish their missions in business.
- Review processes and costs to remain competitive in economic development community. (Quicker and cheaper are still strong criteria for site selection)
- Continue to monitor housing inventory - product, market, and absorption so inventory of available housing matches anticipated needs.
- Retail attraction
- Branding
- Attracting/incentivizing high wage jobs, not low wage
- Attracting more corporate jobs
- Growing schools
- Attracting business to vacant buildings
- Diversifying the housing offerings

- Growing the labor pool to support local business growth
- Creating a more self-sufficient household income mix
- Complete infrastructure improvements
- Airport expansion
- Workforce housing
- Smart Recruitment
- Retention
- Workforce Development
- Get East/West Road corridors complete - CR50, CR70, 185th, and CR9.
- Business Pod planning - define, develop proactive plan
- Image - target our communication/branding efforts on that we are the gateway to the Twin Cities, and a great place to live/work/play and Stay!
- Maintain fiscal responsibility, and lowering of tax rate

APPENDIX II

Economic Development Website Audit



City of Lakeville Economic Development Commission Website Audit

Scope of Audit

The City of Lakeville set forth the following scope for an economic development website audit:

“Examine the website to identify areas of strength and growth pertaining to the identified economic development strategic priorities.” This was accomplished via a business community needs assessment, an analysis of the community and economic development web pages in Lakeville, and an analysis of comparison cities’ economic development web pages.

Needs Assessment

Assessing the needs of the business community was done through interviews of internal and external stakeholders, and review of key documents. Staff indicated that the audience for the Community and Economic Development department included the general public in addition to the business community. The primary objective is to ensure that the website is properly aligned with the City Council and Economic Development Commission's goals.

Envision Lakeville included economic development both as a community value and a key initiative. Because of the frequency with which content is updated on the website, the focus for alignment was on the key initiatives for the next 1-5 years. (A summary of the economic development priorities from *Envision Lakeville* is on Appendix A.)

In addition to examining *Envision Lakeville*, feedback was requested on the City's website from the Lakeville Area Chamber of Commerce/Convention & Visitor's Bureau. Krista Jech, President of the Lakeville Area Chamber of Commerce/CVB indicated that recent changes to the website have made it more user friendly and easier to navigate. Clear access to meetings and events gives businesses a sense of what is going on within the community--Lakeville does this well.

When a business is seeking information about city processes or land, often they want to identify who it is that they need to talk to in order to get a permit or understand signage rules in the ordinance. Descriptions of the unique characteristics of neighborhoods and business zones would also be needed to help a site selector unfamiliar with Lakeville to evaluate the areas within the community for locating a new business. This information may also help a business owner that wants to locate near other similar businesses--or businesses that provide source materials for products and services.

Content Review of Community and Economic Development Web Pages

Generally, when assessing the content of a website, the review focuses on usefulness of the content, minimization of errors (e.g., factual, spelling) and reducing the duplication of similar information. Overall, this audit did not find errors or out-of-date information. The pages loaded quickly and were

free of broken links. Content is updated on a regular basis, including activities of the Economic Development Commission.

In addition to the ease of navigation and access to information furthers the City's transparency goals. One frequent mistake that many organizations make is wanting all of the information on every page. Overall, Lakeville's website is simple and uncluttered. The Community and Economic Development homepage provides links to key documents, including the Strategic Plan for Economic Development, which helps provide insight into the City's priorities for economic development. The City may want to consider whether to add a link to the *Envision Lakeville* document and remove the oldest version of the Economic Development Annual report.

The following table offers recommendations for improvements in some of the existing websites.

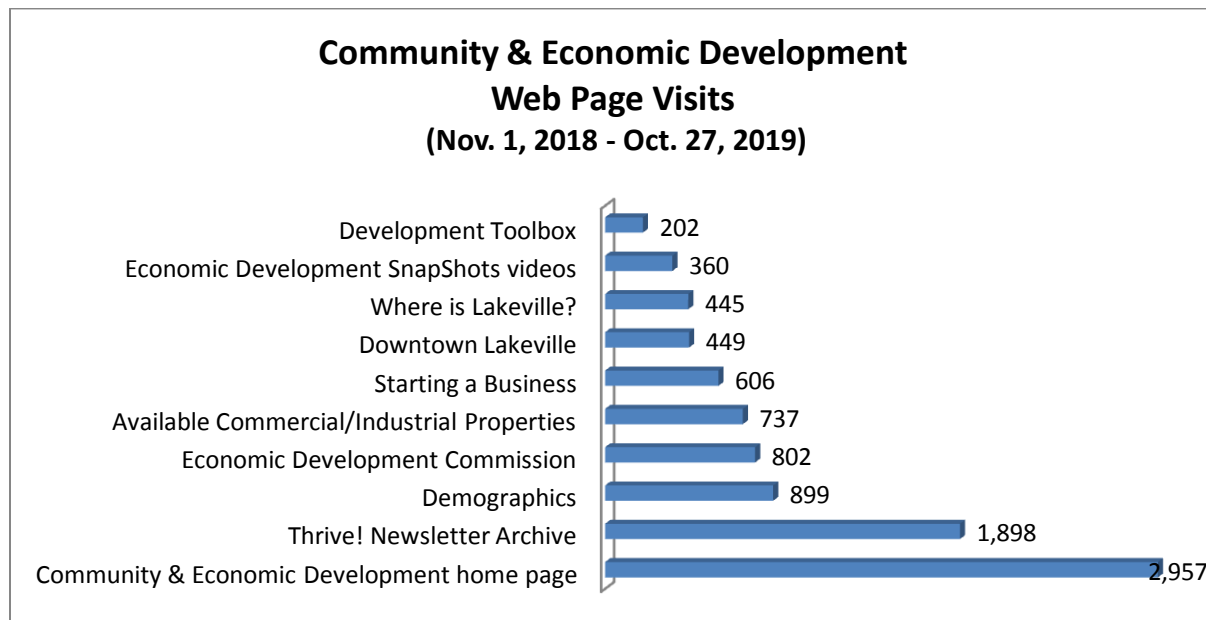
Recommendations for Community and Economic Development Web Pages			
URL	Title	Action	Details
https://lakevillemn.gov/186/Community-Economic-Development	Community & Economic Development homepage	Improve	Add a link to the "Doing Business" website on the Community and Economic Development homepage. Including all Community and Economic Development staff contacts would be helpful to businesses.
https://www.lakevillemn.gov/Archive.aspx?AMID=37	Thrive! Newsletter Archive	Improve	The addition of an introductory sentence would make the content more accessible to someone new to the community and not understanding of the newsletter content.
https://lakevillemn.gov/616/Demographics	Demographics	Keep as is	Additional links for demographics, such as Census data could be added over time.
https://lakevillemn.gov/430/Economic-Development-Commission	Economic Development Commission	Improve	Members of the EDC should be added to the web page on the EDC.
https://lakevillemn.gov/615/Available-CommercialIndustrial-Propertie	Available Commercial / Industrial Properties	Improve	On-line property locator tool is excellent. The information about Airlake Industrial Park and Downtown Lakeville is unexpected on this page. Downtown content is repetitive on "Downtown Lakeville" page. Linking to, rather than duplicating content, will make it easier to find in a search.
https://lakevillemn.gov/193/Starting-a-Business	Starting a Business	Keep as is	Good combination of links to City, County and State resources.
https://lakevillemn.gov/188/Downtown-Lakeville	Downtown Lakeville	Keep as is	Speed on loading some of Development Guides is slow.

Recommendations for Community and Economic Development Web Pages			
URL	Title	Action	Details
https://lakevillemn.gov/194/Where-is-Lakeville	Where is Lakeville?	Improve	May want to add a sentence or two about what the primary benefits are of locating in Lakeville. This is an opportunity to draw person searching into other ED content.
https://lakevillemn.gov/189/Economic-Development-SnapShots	Economic Development SnapShots videos	Improve	Add link to <i>Thrive!</i> Newsletter page.
https://lakevillemn.gov/618/Development-Toolbox	Development Toolbox	Improve	Add a link to the "Development Toolbox" on the "Starting a Business" homepage to help new businesses understand what resources are available for assistance. "Toolbox" may not be a readily identifiable search term.

Additional descriptions to help elucidate the characteristics of neighborhoods and business zones would help an inquiring business narrow down areas within the community for locating a new business. This will also help a business that wants to locate near other similar businesses--or businesses that provide source materials for products and services.

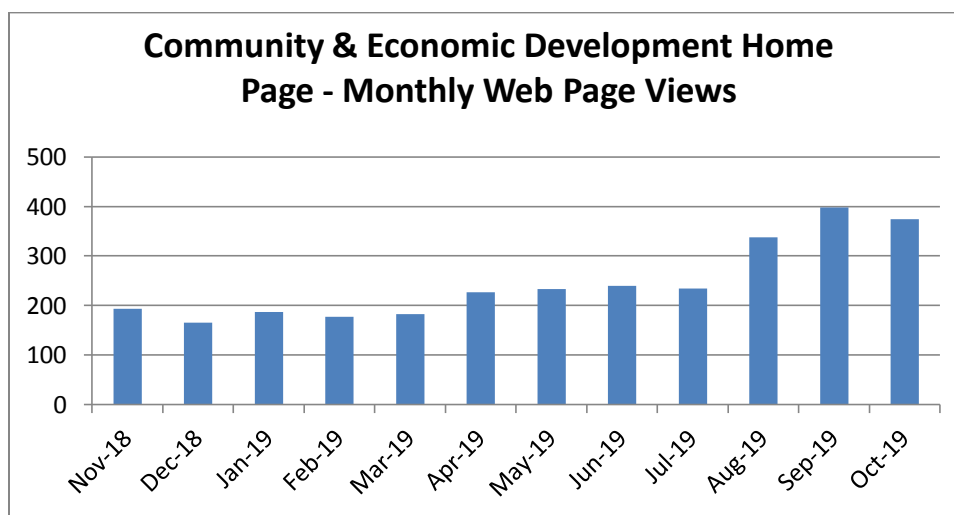
Utilization Statistics

The City Communications department provided information on the number of times a web page has been viewed in the past year. The statistics cover the web pages related to Economic Development. The following statistics for the past year reflect the visits to the Community and Economic Development web pages.



Not surprisingly, the site most frequently visited is the Community and Economic Development homepage. For many visitors, the homepage is the first visit as it often contains the contact information for staff.

Looking further into the visits to the Community and Economic Development homepage, the visits for the past year do not seem to reflect a particular cycle, but rather a positive growth in the number of visits over time:



This data should continue to be monitored to ensure that this trend continues. The "bounce" rate for the visits ranges from 54.1% to 76.6% over this time period. A "bounce rate" indicates the percentage of visitors that leave a page after the initial visit, rather than continuing to click on links for additional content. A recent *RocketFuel* study indicates that most websites have a bounce rate of between 26% to 70%.

A bounce rate should not necessarily be viewed as a negative statistic. If a visitor is able to secure the needed content on the first visit, review of additional pages is not necessary.

Mobile Presence

Because of the ubiquitous presence of mobile phones, it has become increasingly important for cities to examine the access to information from a mobile device. All of the web pages analyzed in this report were also reviewed using a mobile device. The pages loaded quickly and the content adjusted well to viewing on a mobile device. No problems were detected.

Alignment with Strategic Economic Development Goals

The first statement on the Community and Economic Development Department homepage is "The Community & Economic Development Department encourages quality community development and promotes well-managed residential and commercial growth that will add to the quality of life in Lakeville." This statement reflects the values and priorities identified in *Envision Lakeville*, although it is not identical language. Strategic priorities of the Economic Development Commission are in the

process of being updated. At the most recent strategic planning session, the following priorities were identified:

1. Business Retention, Expansion and Diversification
2. Maximize and Market Our Competitive Edge
3. Housing to Support Economic Goals
4. Workforce Availability and Utilization

The primary source for information on the City's economic development priorities is the Economic Development annual reports and the 2017-2019 Strategic Plan for Economic Development, which can be found on the homepage of the Community and Economic Development website. For the most part, the information provided on the City website pages is focused on addressing the first two economic development priorities. Links to additional information on the city's workforce are provided on the Community and Economic Development homepage. Supplementary information on housing and transportation can be found on other locations of the website, but the connection to this information is not made through the community and economic development web pages outside of the Economic Development annual report.

The strategic link could be enhanced by stating the strategic goals on the Community and Economic Development homepage and providing additional information on *Envision Lakeville*. The Demographic web page also could be enhanced to provide information on housing and transportation. Several of the comparable cities provide examples of prominently displayed strategic initiatives on their websites.

Comparison Cities

The City of Lakeville has identified eleven communities across the country that have similar demographic and community characteristics. These are the communities that were used to assess the City's website for comparability to its competitors. These comparative cities include: Carmel, Indiana; West Des Moines, Iowa; St. Charles, Missouri; Mason, Ohio; Waukesha, Wisconsin; Shawnee, Kansas; Woodbury, Minnesota; Maple Grove, Minnesota; Eden Prairie, Minnesota; Rapid City, South Dakota; and Waukegan, Illinois.

The types of information provided on these websites vary significantly--some focused on the regulatory functions of government (such as links to the city code, planning and zoning maps and licenses and permits), while others focused on bringing business to the community. A full website audit was not done of these cities, but key pieces of information can be found on the economic development web pages of these cities:

- Most cities had links to information on regulatory function of the government, as well as including links to bid and quote opportunities.
- Some communities seemed more focused on "selling" the community, with information on community demographics. Eden Prairie included a video community tour, while Mason, Ohio, and St. Charles, Missouri, provided links to site selector packets.

- All communities except two provided updates on new businesses and information on how to start a new business in the community. Waukesha, Wisconsin, prominently features a video highlighting a new business.
- All cities except one featured information on their downtown business district, including types of businesses in the district and any special requirements.
- Carmel, Indiana and Waukegan, Illinois, focused their websites on strategic economic development priorities.

Lakeville's website compared favorably to its comparable communities in terms of overall appeal and relevance of information. The interactive map of available properties was found only on a few other community websites--most were static maps. Two of the communities had outdated information or broken links.

However, few of the cities had clear links to strategic priorities and the information on the economic development web pages. With the exception of two cities, the information was not targeted at any specific types of businesses. Since the City of Lakeville is focused on having a diversity of types of businesses, it would not be expected that the Community and Economic Development web pages be focused on one sector or type of business (i.e., healthcare or technology). Additional information on comparable city websites can be found in Appendix B.

Conclusion

The City of Lakeville's website provides information that businesses expect to see in a user-friendly format. No significant performance issues were discovered in the review of the Community and Economic Development web pages. Recent enhancements, such as the interactive development map showing the most recent information available on sites will be helpful for businesses seeking sites for locating new or expanding existing businesses.

Although the information provided is useful and necessary for doing business in Lakeville, links to the strategic priorities could be enhanced through the content or by providing information on key strategic planning efforts, such as *Envision Lakeville*. If the city changes its direction and focuses on one specific type of business it is trying to attract, additional changes should be made to make the Community and Economic Development web pages more focused on that sector.

APPENDIX A: ENVISION LAKEVILLE ECONOMIC DEVELOPMENT

Community Values

Diversified Economic Development

We value the stability and independence provided by a strong, diversified local economy.

In 25 years, Lakeville will have a diversified economy that provides residents with expanded opportunities to work within the City and to meet their shopping, health care, and other daily needs. A mix of industrial, office, and retail development will help to provide the tax base needed to support high quality public services.... (Envision Lakeville, page 7)

Strategic Priorities

Increase Economic Sustainability

Lakeville exists within a growing interconnected region, but a successful future depends upon Lakeville being a more self-sufficient community. This will largely depend upon the City being able to attract a broad mix of economic development to support the services and daily needs desired by the community. Working diligently to secure economic development and redevelopment of all types will ensure success...." (Envision Lakeville, page 9)

Key Initiatives

1-5 years

Emphasize the attraction of businesses that can provide higher skill, higher wage, head of household jobs.

Retain existing businesses and facilitate growth and expansion.

Provide a broad range of financial incentives to attract businesses that employ higher skilled, high wage jobs.

Support the aggressive transportation program that is in place to enhance economic development opportunities.... (Envision Lakeville, page 11)

APPENDIX B: COMPARABLE CITIES' ECONOMIC DEVELOPMENT WEBSITES

City	Pop.	Website	Links on Business Pages	Aligned with City Priorities?
LAKEVILLE, MN	65,000	https://www.lakevillemn.gov/35/Doing-Business	Bid requests; building project handouts; city code; comprehensive plan; erosion control; ePermits; Thrive! Lakeville Business Updates; license & permits; starting a business; tree preservation	Links provided to strategic plan for economic development.
Carmel, IN	92,198	http://www.carmel.in.gov/doing-business	Available Properties, Bid & Quote Opportunities, Business Ownership Initiative, Carmel Small Business Network, OneZone Chamber of Commerce, Hamilton County Information, Investing in Carmel, Land in Carmel, Planning and Zoning, Roundabouts, Statistics and Demographics, Transportation Services	Yes; information on initiatives in business development.
West Des Moines, IA	56,609	http://www.wdm.iowa.gov/business	Agendas & Minutes, Building Inspection; Chamber of Commerce; Expand or Relocate in WDM; Go West - West Des Moines; Greater DM Partnership; Greater Dallas County Development Alliance; Licenses & Permits; Local Agencies; Maps & GIS; On-line Development Center; Plan & Zoning Commission; Project Bid Information; RFP & Bid Postings; Vendor Application Form; Start a Small Business	No; little strategic information; one redirect highlights broadband technology and city as a "tech" city, but not clear if that is a city priority.
St. Charles, MO	70,329	https://www.stcharlescitymo.gov/922/Economic-Development	Need to get to Economic Development department website first; about us, strategic advantages, data & demographics, site selector information and live & work	Little strategic information other than what is strategic about city's location for business.
Mason, OH	40,593	https://www.imaginemason.org/business/	Mason business news; living in Mason; economic development; workforce; education, training, research; transportation; utility providers; financial information; site selectors	General statements on site selection page about supporting business development.
Waukesha, WI	70,718	https://www.waukesha-wi.gov/1113/Economic-Development	Bid opportunities; permits & licenses; development (plan commission, property information, signs, economic development); resources & links; advertising opportunities; bus routes; code book; zoning ordinances	Development needs and goals listed on slide in presentation that is linked to ED homepage.
Shawnee, KS	70,048	https://cityofshawnee.org/business/building_a_better_shawnee; https://cityofshawnee.org/business/building_a_better_shawnee;	Starting a new business; planning a development; building a better Shawnee; economic incentives; downtown partnership; land use guide; requests for proposals and bids	Strategic goal of Economic Growth and Vitality and initiatives included in report.

City	Pop.	Website	Links on Business Pages	Aligned with City Priorities?
		hawnee.org/business/downtown_partnership		
Woodbury, MN	69,756	https://www.woodburymn.gov/doing_business/index.php	Doing business; economic development; inspections; planning and zoning; non-city events; utility billing; chamber of commerce	Link to strategic plan from ED page; 1.Promote Woodbury as a community of choice 2.Optimize development and redevelopment opportunities.
Maple Grove, MN	68,385	https://www.maplegrovenm.gov/business	Available land & buildings; business licenses & permits; community profile & demographics; development projects; open to business program; important resources and links	Prioritization points to 2040 comprehensive plan and NW area master plan.
Eden Prairie, MN	60,797	https://www.edenprairie.org/doing-business/economic-development	Chamber of Commerce; Codes & policies; economic development; emergency preparedness; Flying Cloud Airport; licenses & permits; Planning Commission; public transit; southwest LRT; video tour	News article on housing priorities; links business survey from business pages.
Rapid City, SD	74,421	https://www.rcgov.org/guide-to-doing-business-in-rapid-city/guide-to-doing-business-in-rapid-city-185.html	Rapid City Comprehensive Plan; bids; Chamber of Commerce; Community Planning; Development; Economic Development; GIS Maps; Licensing; Permits	"Black Hills Vision" - described as a coalition to promote Economic Development but link on ED page does not load.
Waukegan, IL	88,826	https://www.waukeganil.gov/35/Business	Getting Started; Business License Application; New Business & Development; Overweight & Oversize Vehicle Permit Information; Special Events; Food & Beverage Tax Information; Vacant Structure Registration	Described as "City of Progress"--provides links to dept. strategic plans and the city's comp plan.